NRG NorthAmOil: Biden administration moves to freeze federal oil and gas leasing

North American Oil & Gas Monitor

January 25, 2021

Copyright 2021 NewsBase, an Emerging Markets Direct company All Rights Reserved

Length: 306 words

Body

New US President Joe Biden has had a busy start to his term in office, pushing through a series of orders related to issues he considers to be a priority. Among these are energy and climate change, with Biden seeking to pivot immediately away from former US President Donald Trump's approach of unrestricted oil and gas development. Following the immediate cancellation of the presidential permit for the Keystone XL pipeline (see NorthAmOil Week 03), the Biden administration has also started taking steps that will affect oil and gas leasing on federal land and in federal waters.

Within hours of taking office, Biden's acting Secretary of the Interior, Scott de la Vega, gave out an order preventing staff from issuing any new fossil fuel leases or permits without sign-off from a top political appointee. This effectively freezes new oil, gas and coal leasing on federal land and in federal waters for the next 60 days. Towards the end of last week, Bloomberg reported sources familiar with Biden's plans as saying that the president was poised to take this further, suspending the sale of federal oil and gas leases altogether. The moratorium is being described as a temporary measure, giving time for new Biden appointees to be installed in the US Department of the Interior (DoI), and allowing for a review of the federal minerals leasing programme and its implications to be carried out. However, Biden ultimately pledged to ban new oil and gas permitting on federal land and in federal waters, and industry groups see the moratorium as a first step towards this goal. The DoI has noted that the moratorium does not affect new drilling on existing leases, and indeed, a number of oil and gas producers amassed new leases ahead of November's presidential election, insulating them from the immediate impact of any new restrictions.

Load-Date: January 29, 2021

End of Document